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TAGS: [AS](#) [MCAP](#) [PGOV](#) [PREL](#)
SUBJECT: DEFENSE WHITE PAPER AND MISSILE DEFENSE

REF: (A) CANBERRA 474 (B) CANBERRA 454

Classified By: CHARGE DANIEL A CLUNE. REASON: 1.4 (C) AND (D)

¶1. (S/NF) Summary: Australian Defense Department Michael Pezzullo told Charge, DATT and Polcouns that the language on missile defense (MD) in the GOA's Defense White Paper includes a nod to the governing Australia Labor Party's (ALP) left wing, but in reality will allow the GOA to continue its MD research and development cooperation with the United States. Pezzullo maintained that the GOA wants to continue working with the United States on exercises and programs such as Nimble Titan, OTHR and AEGIS. He noted that if the ALP left perceives that it has been deceived by the Defense White Paper's MD language, it could raise a storm at the party's annual national conference this August. End Summary.

ALP LEFT INFLUENCED LANGUAGE ON MISSILE DEFENSE

¶2. (S/NF) Australian Defense Department Michael Pezzullo came to the Embassy on May 26 to explain to Charge, DATT and Polcouns the treatment of missile defense (MD) in the GOA's Defense White Paper. Pezzullo noted that there had been "some raised eyebrows" over the MD portion of the recently released Defense White Paper (Ref. b) and he wanted to clarify the situation. He described the ALP left wing as still wedded to the "1980s anti-Star Wars missile defense" concept and said that the first paragraph in the Missile Defense section of the paper was a nod to this powerful faction of the party. This paragraph states that "the Government is opposed to the development of a unilateral national missile defense system by any nation because such a system would be at odds with the maintenance of global nuclear deterrence. We would be especially concerned at developments that might undercut the deterrent value of the strategic nuclear forces of the major nuclear powers and especially the viability of their second strike capabilities."

LANGUAGE LEAVES DOOR OPEN FOR CONTINUED COOPERATION

¶3. (S/NF) Stating that Prime Minister Rudd's thinking on MD is significantly different than that of the left of his party, Pezzullo maintained that the follow on language on MD in the paper will assure that MD research and development activity between the two countries will continue as it did previously under the 2004 MD Memorandum of Understanding. According to these paragraphs, "within this policy framework, Australia's approach to ballistic missile defense will continue to be based on examining capability options appropriate to Australia's strategic circumstances. We will

explore the development of capabilities for in-theatre defense of ADF elements and the defense of other strategic interests - including our population centers and key infrastructure. The Government will review its policy directions in this field annually, at which time it will authorize an annual plan of Defense engagement, research and development activities."

BUT RUDD COULD BE IN FOR A FIGHT

¶4. (S/NF) Pezzullo said Australia wants to contribute real equity to U.S. strategic deterrence. He maintained that the language in the White Paper assures that the GOA will be able to work with the United States on exercises and programs such as Nimble Titan, the Over The Horizon Radar (OTHR) and AEGIS.

In the latter case, Pezzullo noted the potential for the Australian Air Warfare Destroyers (AWD) for MD capability by 2018 and the option for fitting SM-3 missiles on the class along with SM-6 missiles. This could allow these ships to participate in a sensor grid to defend allied forces in a scenario such as the recent North Korean missile launches. "These have been war gamed," Pezzulo added. Pezzulo ended his brief by again warning that elements within the ALP could still react negatively to the language in the White Paper. He acknowledged that if the ALP left wing perceives that it has been "conned" in this regard, it could raise the White Paper's MD language as a major issue on contention at the party's annual national conference this August.